



INTERNATIONAL TRADE COMMISSION

Investigation No. 337-TA-724

Investigations: Terminations, Modifications and Rulings:

CERTAIN ELECTRONIC DEVICES WITH IMAGE PROCESSING SYSTEMS, COMPONENTS THEREOF, AND ASSOCIATED SOFTWARE

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has determined that no violation of section 337 of the Tariff Act of 1930 (19 U.S.C. § 1337) has been shown in the above-captioned investigation and that the investigation is terminated.

FOR FURTHER INFORMATION CONTACT: Clark S. Cheney, Office of the General Counsel, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone 202-205-2661. Copies of non-confidential documents filed in connection with this investigation are or will be available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone 202-205-2000. General information concerning the Commission may also be obtained by accessing its Internet server (<http://www.usitc.gov>). The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at <http://edis.usitc.gov>. Hearing-impaired persons are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on 202-205-1810.

SUPPLEMENTARY INFORMATION: The Commission instituted this investigation on May 19, 2010, based on a complaint filed by S3 Graphics Co. Ltd. and S3 Graphics Inc. (collectively, "S3G"). 75 Fed. Reg. 38118 (July 1, 2010). The complaint alleged violations of section 337 of

the Tariff Act of 1930 (19 U.S.C. § 1337) by reason of infringement of various claims of United States Patent Nos. 6,658,146 (“the ’146 patent”); 6,683,978 (“the ’978 patent”); 6,775,417 (“the ’417 patent”); and 7,043,087 (“the ’087 patent”). The complaint named Apple Inc. of Cupertino, California (“Apple”) as the only respondent.

On July 1, 2011, the ALJ issued a final ID in this investigation finding that Apple violated section 337. Specifically, the ALJ found that Apple computers utilizing an image compression format called DXT infringe claim 11 of the ’978 patent and claims 4 and 16 of the ’146 patent. The ALJ recommended that the Commission issue a limited exclusion order and a cease and desist order. The ALJ found no violation with respect to the other asserted claims, which are claim 13 of the ’146 patent, claims 14 and 16 of the ’978 patent, claims 7, 12, 15, and 23 of the ’417 patent, and claims 1 and 6 of the ’087 patent. On September 2, 2011, the Commission determined to review the ID in its entirety.

On September 15, 2011, non-parties Advanced Micro Devices, Inc. (“AMD”) and its subsidiaries ATI Technologies ULC and ATI International SRL filed a motion to intervene and terminate the investigation based on a claim that AMD owns the patents at issue and declines to assert them in this investigation. On September 19, 2011, respondent Apple filed its own motion to terminate based on AMD’s patent ownership claims. Subsequently, the Commission determined to extend the target date for completion of the investigation until November 21, 2011.

Having examined the record of this investigation, including the ALJ’s final ID and the submissions of the parties and non-parties, the Commission has determined to reverse the ALJ’s finding of a violation of section 337 and find no violation. Additionally, the Commission has determined to deny AMD’s motion to file public interest comments out of time, to grant AMD’s

motion to file a reply in connection with its motion to intervene and terminate, to deny AMD's motion to intervene and terminate, and to deny Apple's motion to terminate.

The authority for the Commission's determination is contained in section 337 of the Tariff Act of 1930, as amended (19 U.S.C. § 1337), and in part 210 of the Commission's Rules of Practice and Procedure (19 C.F.R. part 210).

By order of the Commission.

James R. Holbein
Secretary to the Commission

Issued: November 21, 2011

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